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Chair's Column



ELEANOR MESLIN

The Best Bar None (BBN) awards program has completed its second year and I am very pleased to congratulate all of the award winners. BBN is an industry led accreditation and awards program for liquor sales licensed establishments. Recognition is given for upholding the highest standards in serving liquor responsibly and safely. This year, licensed premises were judged in Toronto, and for the first time, in Ottawa. See the story on page 5 in this edition of Licence Line.

Proactive compliance strategy

We also report in this edition on the pilot project, Open Ontario Compliance Initiative, carried out in the London region. This project, which includes the collaborative efforts of three levels of government,

including six provincial ministries, is designed to pioneer a risk-based and proactive compliance strategy, focusing attention on higher-risk bars, restaurants and convenience stores, with the purpose of reducing the overall burdens on businesses that follow the law.

Liquor modernization

On Page 3 is a story that brings attention to a recently completed review of policies affecting the regulation of alcohol (wine, beer and spirits), manufacturers, ferment-on premises operators and liquor delivery services. This Finding Report summary, the result of a substantial province-wide consultation with stakeholders over the past year, will act as the basis of introducing reforms as the AGCO continues its regulatory modernization of Ontario's beverage alcohol industry. The full Findings Report can be found on our website at www.agco.on.ca.

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Keeping in compliance with the liquor laws

Implementing and conducting best practices

Overcrowding

During the summer months, patios become a favourite location for enjoying the warm weather. Sometimes, this can lead to overcrowding. Licensees have an obligation to ensure that the number of persons on the licensed patio area does not exceed the capacity for that area as stated on the liquor licence. This number includes employees of the licensee.

Removing liquor

Licensees must ensure that patrons do not remove liquor from the licensed premises, including licensed patios. There can be a tendency for some patrons to take a drink with them to an adjacent parking lot, sidewalk or alleyway for a smoke or other purpose. Licensees must have

proper monitoring practices and security in place to make sure these practices do not occur. It is a violation of liquor regulations to allow patrons to remove liquor from the licensed premises. This could lead to a monetary penalty of up to \$4000 or a suspension of the liquor licence.

Reasonable measures

Liquor sales licensees are responsible for ensuring they have in place reasonable measures, and make reasonable efforts, to deter disorderly conduct on property adjacent to and in the vicinity of their premises and to minimize damage, nuisance or other harm to such property arising out of disorderly conduct engaged by patrons of the licence holder or persons waiting to enter or leaving the licensed premises. For suggestions on how to address any potential disorderly conduct that may originate from a licensed establishment, please refer to the AGCO Responsible Service Tip Sheet, "Taking Reasonable Measures outside your establishment" found on our website at www.agco.on.ca.

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Decision Summary

The following establishments requested a hearing before the Licence Appeal Tribunal regarding compliance issues and received suspensions of 14 days or more and/or revocations for the period beginning March 1, 2014 ending June 15, 2014. Sanctions for similar infractions may vary in length according to the specifics of each case. For details on the Licence Appeal Tribunal, visit www.lat.gov.on.ca.

Establishment	Infraction	Sanction
Femi's Place, Toronto	Service outside prescribed hours; failure to clear signs of service	15 days
Summit Place (Thorold) Limited, Thorold	Liquor sold to person who appears to be intoxicated; permitted drunkenness	14 days

Other Suspension/Revocations

Suspensions of 14 days or more and revocations where the licensee did not request a hearing.

Establishment	Infraction	Sanction
Afro Delicious Restaurant, Woodbridge	Failure to clear signs of service; permitted narcotics on premises; failed to provide requisite details concerning a catered event	14 days
Coco Karaoke Restaurant, Toronto	Obstructing an inspection; non-compliance with Fire Protection and Prevention Act; failure to clear signs of service; service outside prescribed hours	14 days
Dockside Tavern, Deseronto	Permitted drunkenness; breach of condition of the establishment's liquor licence	14 days
Groggery (The), Smith Falls	Failure to inspect identification; serving minors	14 days
G's Chill & Grill Sports Bar, Scarborough	Overcrowding; service outside prescribed hours	30 days
High - 5KTV, Scarborough	Obstructing an inspection; serving minors; failure to inspect identification; permitted drunkenness	18 days
Jimmy O'Toole's Pub and Club, Whitby	Permitted drunkenness, violent and disorderly conduct	14 days
Lily Mini Club Ltd., Mississauga	Failure to clear signs of service; overcrowding; permitted drunkenness	14 days
Quan Ngon, Mississauga	Failure to clear signs of service; permitted narcotics on premises; obstructing an inspection	14 days
Skadarlija Bar, Toronto	Permitted unlawful gambling	14 days
Santa Roza Family Restaurant & Lounge, Toronto	Past conduct; service outside prescribed hours; failure to clear signs of service; liquor not purchased under licence; permitted narcotics on premises; permitted removal of liquor from premises; licensee failed to ensure reasonable measures taken to deter disorderly conduct, or minimize the harm caused from it, in the vicinity of the licensed establishment; licensee failed to ensure control of premises was maintained	Licence Revoked

AGCO website has lots of information!

If you are looking for general information on beverage alcohol, how to apply for a liquor sales licence or other liquor licensing matters, please visit our website at www.agco.on.ca.

You can download and fill out on screen liquor-related forms such as liquor licence applications, renewals, transfers, etc.



Continued from page 1 *Chair's column*

We also highlight information on the introduction of allowing wine sales at Ontario's farmer's markets. This new policy became effective on May 1, 2014.

Our summer edition of Licence Line includes a number of other items designed to be helpful to licensees, such as best practices to prevent overcrowding, removing liquor from licensed premises and security measures, SOP private events and the ongoing schedule

for Educational Seminars being held across the province. To all of our licensees, stakeholders and clients: have a happy, warm, successful and healthy summer!!

Eleanor Meslin, Chair

Regulatory modernization in Ontario's beverage alcohol industry – Findings Report summary

Since August 2013, the Alcohol and Gaming Commission of Ontario (AGCO) has been leading a comprehensive review of its approach to the regulation of wine, beer, and spirits manufacturers, manufacturers' representatives, ferment-on-premise operators, and liquor delivery services.

The review is grounded in a commitment by the AGCO to be a modern regulator and to engage with stakeholders and partners in the beverage alcohol industry, government, and public health organizations to reduce the administrative burden on business, remove barriers to job creation and economic growth, and to help ensure the responsible sale and consumption of beverage alcohol.

Over the course of several months in the Fall and Winter of 2013, the AGCO conducted formal consultations with its stakeholders and partners, which included the receipt of 32 written submissions, the hosting of nine roundtable sessions, and several one-on-one meetings with more than 95 participants from the public, private, and non-profit sectors.

Overview and advice

Following the close of the consultation period, the AGCO publicly released a Findings Report in March 2014, which provides a detailed overview of the advice and recommendations received during the consultation period. You can download the Findings Report at www.agco.on.ca.

The Findings Report summarizes the recommendations for reform that were received during the consultation period, including in the following areas:

- Simplification and rationalization of the licensing process for beer, wine and spirits manufacturers; modernization of manufacturer retail store policies;
- Updating the rules governing alcohol advertising and promotions, including in the area of manufacturers' inducements;
- Reducing the administrative burden faced by manufacturers' representatives, ferment-on-premise operators, and liquor delivery services; and
- establishing new rules to reduce alcohol-related harms, particularly in the area of manufacturer retail stores and advertising.

The AGCO sincerely appreciates the efforts of those stakeholders and partners who have committed their time, effort and energy to this project to date.

Moving ahead with reforms

The AGCO is in the process of closely reviewing the insights and recommendations that have been provided by consultation participants. Looking ahead, the AGCO intends to identify a number of areas where it is prepared to move ahead with reforms to its policies and procedures and will be further engaging with its stakeholders and partners to continue the great progress that has been made thus far.

Wine sales at Ontario farmers' markets

In May of this year, the government launched a two-year pilot program that allows Ontario wineries to sell Vintners Quality Alliance (VQA) wine at farmers' markets across Ontario.

To date, there has been a high level of participation in the program by Ontario wineries and eligible farmers' markets. As of mid-June, 54 wineries are selling their VQA wine at 87 farmers' markets from Windsor to Ottawa and Owen Sound to St. Catharines.

VQA wines

The program allows wineries to sell their VQA wine at temporary extensions of their on-site winery retail stores at farmers' markets throughout Ontario, provided they manufacture VQA wines and apply to the AGCO for authorization to sell at these farmers' markets. Authorized wineries must notify the AGCO in advance of the dates and locations where they will be selling their VQA wine.

Participating wineries must ensure they do not sell to anyone who is intoxicated or under the age of 19. The Registrar's Sampling Guidelines for Liquor Manufacturers must also be followed and require that all sampling must take place at the winery's temporary extension (i.e. booth).

Municipalities must approve

Under this program, wineries are able to conduct sales during the same hours that a farmers' market is open, even if they fall outside of the on-site winery retail store's permitted hours of sale. Wineries must transport their



VQA wine to each farmers' market from their retail location on the same day that sales occur and must return any unsold wine back to the on-site retail store at the end of each day. No winery is allowed to sell for more than three days a week at any individual farmers' markets, but there is no limitation on the number of farmers' markets at which wineries can sell.

Municipalities have the right to refuse to allow sales of VQA wine at farmers' markets and, so far, only a few have decided to do so.

More details and information - including a regularly-updated list of farmers' markets where VQA wines are being sold - can be found on the AGCO web site at www.agco.on.ca.

Collaborative risk-based compliance project deemed a success

The “Open Ontario Compliance Initiative (OOCI) London Pilot Project” is an excellent example of collaboration among three levels of government. The pilot has focused on collaborative risk-based compliance inspections at the provincial, county and municipal levels, as well as creating new tools and tactics to support better information sharing. Six ministries are participating in this initiative with the Ministry of Community Safety and Correctional Services (MCSCS) as the lead. The Alcohol and Gaming Commission of Ontario (AGCO), several municipal departments within the City of London and the Middlesex-London Public Health Unit are also involved. Despite different regulatory mandates, enforcement approaches, and the pilot’s short timeline, the Open Ontario London Pilot Project team was able to break down silos among regulatory agencies, enhance collaboration and increase efficiency, as well as pioneer a risk-based and proactive approach to compliance.

The Open Ontario pilot was launched in December 2012 in London with a focus on bars, restaurants and convenience stores as these businesses have a high level of interaction with an assortment of regulators. **The pilot’s goals were to help implement Ontario’s Modern Compliance Framework and Modern Regulatory initiatives by:**

- Creating greater coordination and collaboration among regulators, thereby supporting a more efficient workforce;
- Supporting effective risk-based compliance activities; and
- Promoting less burdensome inspection processes for businesses.

The pilot is modeled on the research and best practices outlined in Ontario’s Regulator’s Code of Practice. The code is intended to ensure that businesses and the public are treated fairly and with respect when they are being licensed, inspected, investigated, audited or otherwise regulated.

It was made very clear early in the process that the pilot was not an enforcement blitz. Rather, it was designed to focus compliance efforts of regulators on higher-risk businesses and reduce burdens for businesses that follow the law. The pilot emphasized compliance support and business education to help ensure businesses know what is expected of them and what they need to do to be compliant.

The project team has been nominated for three prestigious awards:

1. Amethyst Award (OPS)
2. Institute of Public Administration of Canada (IPAC)
3. Canadian Government Executive (CGE) Award

Private events held in liquor sales licensed establishments

Special Occasion Permits (SOP) are frequently issued for private events such as weddings, anniversaries, birthdays and buck and doe parties. If an SOP private event is held in your licensed establishment, familiarize yourself with the obligations held by the permit holder.

During the private event operating under an SOP, remember:

- Alcohol sold and served at the event must be purchased under the permit and kept separately from alcohol purchased under the liquor sale licence.
- Profits cannot be made from the sale and service of alcohol. Money received from the sale of alcohol is to be used for cost recovery only.
- The private event is for invited guests only and is neither open nor advertised to the general public.
- The permit holder, or their designate must be present during the entire event.

- The permit holder must facilitate inspections conducted by AGCO Inspectors and police officers.
- It is a good idea for those selling and serving alcohol to be Smart Serve trained and certified. Keep in mind there are maximum serving amounts under the SOP.
- Raising money from games of chance and mixed skill and chance like raffles, 50/50 draws, roulette and poker are not permitted.
- Depending on the size and nature of the event you may want to have security present.

Be proactive by creating house policies that outline your obligations and address them in a contractual or service level agreement with the event host or organizer. In turn, have the house policies reviewed by those who are selling and/or serving alcohol at the event.

Make sure sales staff complete the mandatory SmartServe training program

All liquor sales licensees and liquor delivery services must ensure that persons involved in the sale and service of liquor, including security staff, hold a certificate demonstrating the successful completion of a server training course approved by the Board of the AGCO. The certificate must be obtained within 60 days of the commencement of employment. The current Board approved server training course is Smart Serve.

For more information about the Smart Serve Training Program, please visit the Smart Serve Ontario website at www.smartserve.ca.



QUESTIONS AND ANSWERS

Question: Can patrons take liquor /alcohol from a licensed restaurant to their rooms in a hotel/motel?

Response: No, they cannot! The room service endorsement allows only the licensee or their employees to take drinks to a guest room. A room service endorsement does not allow patrons to carry drinks from a licensed area to their room.

BBN Ontario Awards given out in both Toronto and Ottawa

Best Bar None Ontario's 2nd year culminated in a very successful set of awards to deserving establishments last month, in both Toronto and Ottawa.

Launched in Ontario in October 2012, Best Bar None (BBN) is an industry-led accreditation and awards program for liquor sales licensed establishments, based on a similar program started in 2003 in Manchester, United Kingdom.

The program recognizes and gives awards to establishments that meet a screening process to ensure that they uphold the highest standards in serving liquor responsibly and safely.

Toronto

The second annual awards in Toronto included a greatly expanded area, with all licensed establishments from Parkside in the west to Yonge Street in the east and from Bloor St. in the north to Lake Ontario in the south, eligible to participate.

At a gala awards event at the Toronto Hyatt Regency Hotel, the winners were:

- **Best Bar/Lounge:** Wayne Gretzky's
- **Best Club:** Crocodile Rock
- **Best Hotel Lounge:** Intercontinental Toronto Centre (Front Street)
- **Member's Club:** the Spoke Club
- **Best Pub:** Fionn MacCool's (Front Street)
- **Best Restaurant:** Air Canada Centre
- **BEST OVERALL:** Wayne Gretzky's

Ottawa

In Ottawa for the first time in the ByWard Market district, the gala event was hosted at Steak Modern Steak +Sushi.

First-time Ottawa winners included:

- **Best Bar/Lounge:** Real Sports Bar & Grill
- **Best Club:** The Great Canadian Cabin
- **Best Pub:** Pub 101
- **Best Restaurant:** Cornerstone Bar & Grill
- **BEST OVERALL:** Cornerstone Bar & Grill

BBN Ontario is led by the Ontario Restaurant, Hotel & Motel Association (ORHMA) in conjunction with the following industry, community and government partners:

- Alcohol and Gaming Commission of Ontario (AGCO), Toronto Police Services, Liquor Control Board of Ontario (LCBO), Mothers against Drunk Driving (MADD), King Spadina Residents' Association, Municipal Licensing & Standards Division, City of Toronto, Cara Operations, Crocodile Rock, Greater Toronto Hotel Association, City of Ottawa, and ByWard Market Safety & Security Committee.

BBN Ontario is also sponsored by:

- Labatt, Molson Coors, Spirits Canada, LCBO, The Beer Store, Smart Serve Ontario, Sleeman, Wine Council of Ontario, Ontario Craft Brewers, Winery & Grower Alliance of Ontario, and Pattison One-Stop.



OTTAWA (Left to Right)
Brian J. Ford
 Member of the Board, AGCO
 with Ottawa winner
Trenton Wilzer - Jones
 General Manager
 Cornerstone Bar & Grill



TORONTO (Left to Right)
Jean Major, CEO AGCO
Michiko Morii and **Adrienne Barnhardt**
 representing Wayne Gretzky's and
Tony Elenis, president ORHMA

Know the Liquor Laws

Free Seminars for liquor sales licensees, management and staff

The AGCO will lead you through information to help you to better understand your responsibilities.

This 2 ½ hour seminar includes:

Part 1

- Liquor laws that apply in the day-to-day sale and service of alcohol including new opportunities
- Understanding liability
- Where liquor can be sold, served and consumed
- Handling an AGCO Inspector's visit smoothly
- Open Question and Answer period

Break

Part 2

- Advertising, pricing and promotion flexibility
- Relationships with manufacturers and their licensed representatives
- Keeping your liquor licence in good standing
- Open Question and Answer period

Educational Seminars Calendar

JULY 2014

Kenora Wednesday, July 9
 Thunder Bay Thursday, July 10
 Toronto (West) Wednesday, July 30

AUGUST 2014

Timmins Wednesday, August 13
 Port Elgin Tuesday, August 26
 Owen Sound Wednesday, August 27
 Collingwood Thursday, August 28

SEPTEMBER 2014

Pembroke Tuesday, September 16
 Ottawa/Kanata Wednesday, September 17
 Lindsay Thursday, September 18
 Toronto (East) Tuesday, September 30

OCTOBER 2014

London Tuesday, October 7
 Chatham Wednesday, October 8
 Windsor Thursday, October 9
 Toronto (Central) Wednesday, October 29

NOVEMBER 2014

Guelph Tuesday, November 4
 St. Catharines Wednesday, November 5
 Niagara Falls Thursday, November 6
 Newmarket Tuesday, November 18
 Barrie Wednesday, November 19
 Bracebridge Thursday, November 20

DECEMBER 2014

Brampton Wednesday, December 3

80%+ of over **10,000** participants said they would recommend attending because they found the information useful and learned something

- Since this program began the AGCO has conducted almost 200 educational seminars and visited some 100 Ontario cities and towns (with multiple trips to the larger centres)
- During the educational seminars, AGCO staff have distributed more than 75,000 pieces of informational materials relating to the sale and service of beverage alcohol.

"Very good session – long overdue" — London

"Should be mandatory for anyone involved in the liquor industry" — Manager, Kenora

"Very informative and interesting questions" — Hamilton

Detailed information on these Educational Seminars is available on our website at www.agco.on.ca

Licence Line is published by the Alcohol and Gaming Commission of Ontario to provide licensees and interested parties with information regarding alcohol legislation and related issues. Reader comments are welcome. This newsletter is available free of charge to all holders of a liquor sales licence in Ontario.

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